

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W.R. Grace & Co., *et al.*,) Case No. 01-01139 (JKF
) (Jointly Administered)
Debtors.)
) Objection Deadline: February 8, 2007 at 4:00 p.m.
) Hearing Date: April 2, 2007 at 2:00 p.m.
)

**FIRST INTERIM QUARTERLY FEE APPLICATION REQUEST
OF DIES & HILE, L.L.P. FOR APPROVAL AND ALLOWANCE OF
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES AS SPECIAL COUNSEL TO THE OFFICIAL COMMITTEE
OF ASBESTOS PROPERTY DAMAGE CLAIMANTS
FOR THE PERIOD OF SEPTEMBER 26, 2005 THROUGH SEPTEMBER 30, 2006**

Name of Applicant: Dies & Hile, L.L.P.

Authorized to provide
professional services to: Official Committee of Asbestos Property Damage
Claimants

Date of retention: September 26, 2005 (See Transcript of Hearing held
on September 26, 2005 [Dkt. No. 9628], at 114-15)
Retention order entered on November 2, 2005.

Period for which compensation and
reimbursement is sought: September 26, 2005 through September 30, 2006

Amount of compensation sought
as actual reasonable and necessary: \$194,130.00

Amount of expense reimbursement
sought as actual reasonable and
necessary: \$110,990.13

This is an: X interim ___ final application

This is the first quarterly application filed.

**ATTACHMENT "B" TO FEE APPLICATION
SUMMARY OF HOURS**

Name of Professional Person	Position of Applicant	Number of Years in Position	Dept.	Hourly Billing Rate	Total Billed Hours	Total Compensation
Martin W. Dies	Partner		Lit	\$650.00	230.25	\$149,662.50
Richard C. Hile	Partner		Lit.	\$550.00	80.85	\$44,467.50
Total:					311.1	\$194,130.00
GRAND TOTAL						\$194,130.00
Blended Rate:						\$624.02

COMPENSATION BY PROJECT CATEGORY

PROJECT CATEGORY	TOTAL HOURS	TOTAL FEES
Litigation Consulting	311.1	\$194,130.00
Total	311.1	\$194,130.00

EXPENSE SUMMARY

1.	Data Entry		\$0.00
2.	Court Reporter		\$0.00
3.	Messenger Services		\$0.00
4.	Photocopies		\$0.00
	(a) In-house copies @ .15	N/A	
	(b) Outside copies (at cost)	N/A	
5.	Postage		\$0.00
6.	Overnight Delivery Charges		\$0.00
7.	Long Distance Telephone Charges		\$0.00
8.	Telecopies		\$0.00
9.	Research Materials		\$0.00
10.	Expert Fees and Costs		\$101,012.19
11.	Travel Expenses		\$9,977.94
	(a) Airfare	\$7,716.58.58	
	(b) Meals	\$142.88	
	(c) Parking, Car Rental & Mileage	\$114.00	
	(d) Lodging	\$1,758.78	
	(e) Taxicabs	\$245.70	
TOTAL "GROSS" AMOUNT OF REQUESTED DISBURSEMENT			\$110,990.13

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**FIRST INTERIM QUARTERLY FEE APPLICATION REQUEST
OF DIES & HILE, L.L.P. FOR APPROVAL AND ALLOWANCE OF
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES AS CONSULTANTS TO THE OFFICIAL COMMITTEE
OF ASBESTOS PROPERTY DAMAGE CLAIMANTS
FOR THE PERIOD OF SEPTEMBER 26, 2005 THROUGH SEPTEMBER 30, 2006**

Dies & Hile, L.L.P. (the "Applicant"), special counsel to the Official Committee of Asbestos Property Damage Claimants ("PD Committee") of the above-captioned debtors (the "Debtors") in this Court, hereby submits its first interim quarterly fee application (the "Application") pursuant to 11 U.S.C. §§ 328, 330 and 331 and in accordance with the Administrative Fee Order (defined below) for approval and allowance of compensation for services rendered and for reimbursement of expenses incurred in connection therewith, respectfully represents as follows:

I. Introduction

1. The Applicant, as special counsel to the PD Committee, seeks (i) approval and allowance, pursuant to Section 331 of the Bankruptcy Code of compensation for the professional services rendered by Applicant as special counsel for the PD Committee from September 26, 2005 through September 30, 2006 (the "Application Period") in the aggregate amount of \$194,130.00 representing 311.1 hours of professional services and (ii) reimbursement of actual and necessary expenses incurred by the Applicant during the Application Period in connection with the rendition of such professional services in the aggregate amount of \$110,990.13.

2. This Court has jurisdiction over this application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

II. Background

3. On April 2, 2001, each of the Debtors filed voluntary petitions for reorganization under Chapter 11 of the Bankruptcy Code. The Debtors continue to operate its business and manage their properties as a debtor-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' Chapter 11 cases have been procedurally consolidated and are being jointly administered. No trustee or examiner has been appointed in this case.

4. On April 12, 2001, the United States Trustee formed the PD Committee. Thereafter, the PD Committee approved the retention of Bilzin Sumberg Baena Price & Axelrod LLP ("Bilzin") as its counsel.

5. On September 12, 2005, the PD Committee filed its Application of the Official Committee of Asbestos Property Damage Claimants to Retain Special Counsel Pursuant to Sections 328 and 1103 of the Bankruptcy Code and Bankruptcy Rule 2014 (the "Retention Application") [Dkt. No. 9384].

6. On September 26, 2005, the Court heard the Retention Application and authorized the PD Committee to retain the Applicant as special counsel. *See* Transcript of Hearing held on September 26, 2005 [Dkt. No. 9628], at 114-15.

7. By order dated November 2, 2005, [Dkt. No. 10978] the Court authorized the PD Committee to retain the Applicant, pursuant to 11 U.S.C. §§ 1103, 328, 330(a), 331, 503(b), and 507(a)(1), as special counsel to the PD Committee in the Consolidated Cases.

8. This is the first interim quarterly fee application request that the Applicant has filed with the Court for an allowance of compensation and reimbursement of expenses for services rendered to the PD Committee. This application is submitted pursuant to the terms of the Administrative Order Under §§105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members approved by the Court on May 3, 2001, as amended by the Court's order of April 17, 2002 (collectively, the "Administrative Fee Order"). Previously, in accordance with the Administrative Fee Order, the Applicant has filed with the Court one monthly fee application that is the subject of this Application, which is summarized as follows:

Date Filed	Period Covered	Fees Requested	Expenses Requested	Objections
11/9/06	9/26/05 – 9/30/06	\$194,130.00	\$110,990.13	N/A
Totals		\$194,130.00	\$110,990.13	

9. The Applicant has received no payment and no promise for payment from any source for services rendered in connection with these cases. There is no agreement or understanding between the Applicant and any other person for the sharing of compensation to be received hereunder.

10. As stated in the Certification of Martin W. Dies, Partner, attached hereto as Exhibit "A," all of the services for which compensation is sought herein were rendered for and on behalf of the PD Committee solely in connection with these cases.

III. Summary of Services Rendered

11. In accordance with Local Rule 2016-2 dated December 12, 1996 and the Administrative Fee Order, and to assist the Court, the Debtors, the U.S. Trustee and other parties in interest in evaluating this Application, the primary services performed by the Applicant during the Application Period are summarized in the Summary attached hereto as Exhibit "B." The summary reflects certain services of major importance which required the special attention, efforts and skill of Applicant. The Applicant's services throughout the Application Period have been valuable to the PD Committee in providing consultation.

12. In accordance with the Administrative Fee Order and the Local Rules, a summary sheet of the professionals and their corresponding names, years of experience, hourly rates and the number of hours incurred by each is set forth on Attachment B. The hourly rates reflect what the Applicant generally charges its other clients for similar services. An itemization including identification of services performed by the professionals sorted by date and time keeper is attached hereto as Exhibit "C," which also contains a statement of the Applicant's disbursements, necessarily incurred in the performance of the Applicant's duties as consultants to the PD Committee.

IV. Conclusion

13. The Applicant has necessarily and properly expended 311.1 hours of services in the performance of its duties as special counsel to the PD Committee during the Application Period. Such services have a fair market value of \$194,130.00. The work involved and thus the time expended, was carefully assigned in light of the expertise required for each particular task.

14. In addition, the Applicant incurred actual out-of-pocket expenses in connection with the rendition of services to the PD Committee in the sum of \$110,990.13 for which it respectfully requests reimbursement in full.

15. The Applicant has reviewed the requirements set forth in Local Rule 2016-2 and believes that this Application for interim compensation complies therewith.

16. The Applicant has made no prior application in this or any other Court for the relief sought herein.

WHEREFORE, the Applicant respectfully requests pursuant to the Administrative Fee Order: a) the approval and allowance, pursuant to section 331 of the Bankruptcy Code of compensation for professional services rendered to the PD Committee during the Application Period of September 26, 2005 through September 30, 2006 in the amount of \$194,130.00, b) the approval and allowance of Applicant's out-of-pocket expenses incurred in connection with the rendition of such services during the Application Period of September 26, 2005 through September 30, 2006 in the amount of \$110,990.13; and c) such other relief as the Court deems just.

Dated: January 19, 2007

DIES & HILE, L.L.P.

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Asbestos Property Damage Claimants
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By: /s/ Martin W. Dies
Martin W. Dies, Partner